

MASSACHUSETTS
PERMIT REGULATORY OFFICE
Annual Report



2013

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INTRODUCTION

The Massachusetts Permit Regulatory Office (MPRO) was established in 2006 to work with new and existing businesses to help foster job creation efforts by assisting with permitting, licensing, and regulatory processes. Since 2006, MPRO has worked with a wide variety of stakeholders including local officials, regional groups, legislators, private sector interests and state agencies to further the Patrick Administration's efforts to make Massachusetts a great place to live, work, and play. Essential to making Massachusetts a great place to live and work is to create an environment which supports businesses and job creation. Staying true to its core mission, MPRO continues to work with its partners to implement tools which increase the efficiency and effectiveness of local and state government in support of housing and job growth and to look for new opportunities and partnerships which further enhance the economic development climate in the state.

MPRO is an active participant in helping Massachusetts and the Executive Office of Housing and Economic Development (EOHED) achieve the goals established by the Choosing to Compete in the 21st Century Economic Development Plan published in December 2011. MPRO has been tasked with leading efforts to implement 6 of the 55 objectives outlined in the plan, which will help further the state's goal of "supporting regional development through infrastructure investments and local empowerment." These tasks include:

- 3.1.1 Plan ahead for growth by identifying priority development areas for job and housing growth through regional planning efforts that include public and private participation;
- 3.1.2 Target state infrastructure investments to identified priority development areas where prompt and predictable permitting has been established by local communities;
- 3.1.3 Enlist state agencies such as MassDevelopment and MassHousing to provide targeted assistance to accelerate development within identified priority areas;
- 3.1.4 Identify or develop additional innovative public and private financing mechanisms for infrastructure investments in support of growth that would allow faster decision-making and execution and more local control;
- 3.4.1 Give priority in state infrastructure investments to local priorities that have been evaluated and supported by a regional process; and
- 3.4.3 Create a clear and transparent feedback mechanism for municipalities when local priorities are not funded.

PLANNING AHEAD FOR GROWTH

While the Massachusetts Permit Regulatory Office is actively working in many different ways to help achieve the goals listed above, MPRO's work can be specifically highlighted through the Executive Office of Housing and Economic Development's Planning Ahead for Growth strategy, which takes a comprehensive view of future development in Massachusetts. At its core, the Planning Ahead for Growth strategy includes: identifying promising places for growth, creating prompt and predictable zoning and permitting, investing in public infrastructure, and marketing to businesses and developers areas of interest.



The Planning Ahead for Growth strategy has been developed by EOHED and MPRO as a way to clearly articulate the economic development and housing land use goals of EOHED. Acknowledging and embracing Massachusetts' strong municipal home rule structure, the Planning Ahead for Growth strategy is based on a bottom up approach that works with communities and regions to incorporate their land use goals into the dialogue with the state to implement the tools that will make Massachusetts an attractive and prosperous place to live and work.

Throughout 2013, MPRO worked with other state agencies including the Executive Office of Energy and Environmental Affairs (EEA), the Massachusetts Department of Transportation (MassDOT) and the Executive Office of Health and Human Services (EOHHS), on an effort to expand the Planning Ahead for Growth strategy beyond the EOHED secretariat. As a result of this collaborative effort, the agencies developed a [Common Vision for Growth](#), which demonstrates the ways in which major efforts being undertaken at each agency (Global Warming Solutions Act, GreenDOT and Health Impact Assessments) compliment and reinforce the Planning Ahead for Growth Strategy. In an unprecedented show of collaboration and support, this document serves as a reminder that the benefits of making sustainable land use decisions are far reaching both in the near and long term.

By establishing the four core elements of Planning Ahead for Growth and using it as part of a cross-agency strategic planning, municipalities, regions and state agencies have a clear and transparent framework within which new initiatives, projects, and development can take place.

IDENTIFY

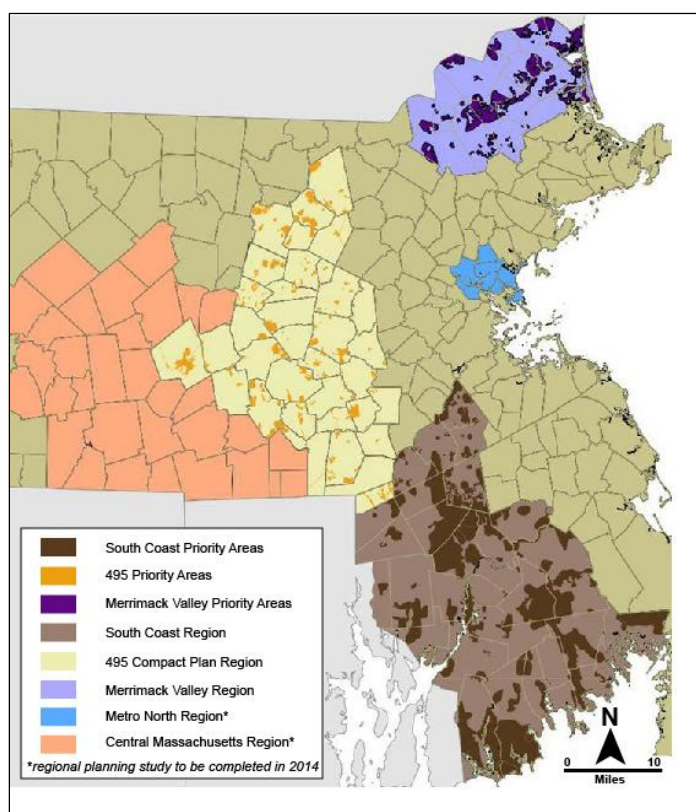
Identifying Promising Areas for Growth

Regional Planning Efforts

The Massachusetts Permit Regulatory Office has promoted the advancement of several regional planning efforts. Land Use Priority Plans are developed in partnership with municipalities, regional planning agencies, state agencies, and stakeholder groups such as chambers of commerce and environmental advocacy organizations. The plans identify, at a local, regional and state level, places which are appropriate for growth and preservation, known as Priority Development Areas and Priority Preservation Areas (PDA/PPAs).

The Massachusetts Permit Regulatory Office has worked closely on the development of the South Coast Rail Economic Development Corridor Plan and the 495/MetroWest Development Compact Plan, which was released in March 2012. In June 2013, MPRO released its report on the regional planning efforts in the Merrimack Valley Planning Commission region. With the completion of the Merrimack Valley planning efforts in 2013, 83 communities have identified Priority Development and Priority Preservation areas.

In addition to the regional planning efforts led by the state, several regional planning agencies have advanced efforts to identify areas for growth and preservation in additional communities. Both the Metropolitan Area Planning Council and the Central Massachusetts Regional Planning Commission have completed PDA/PPA mapping, which resulted in an additional 44 communities completing the mapping efforts at a local and regional level in 2013.



MPRO has been able to reinforce its commitment to regional planning efforts with the addition of a new Regional Planning Director in August 2013. Hiring a dedicated staff person to work on regional planning efforts has allowed MPRO not only to advance new regional planning efforts, but to work with regions that have completed the local and regional mapping efforts and complete the mapping at a state level. In 2014, MPRO will work to complete the Central Massachusetts Regional Planning Commission's priority mapping efforts, begin a new land use priority planning study that will cover the Metro

North region, which includes 9 communities north of Boston as well as Charlestown and East Boston, and will work with Regional Planning Agencies throughout the state to continue to promote the identification of Priority Areas.

Housing that Works

The Housing that Works initiative supports reasonably dense, reasonably located housing development through the identification of promising places for housing production that support compact development. By increasing the supply of dense, well-located housing, the cost of housing will be more affordable to those at or near the median income level. Massachusetts will need to address the increasing demand for median income or “workforce housing” opportunities to be able to



Assembly Square, Somerville

maintain and attract many employers whose workers will seek reasonably priced housing in areas near their jobs and close to amenities.

Many communities, such as Reading, Somerville, Easton, Haverhill, Boston, and Lowell, are already building this type of housing. The Housing that Works initiative will highlight the many benefits to communities that support new multi-family, mixed-use development and will work with new communities to help facilitate the next generation of housing which will help sustain Massachusetts’ economic recovery and continue to make Massachusetts a great place to live and work.

In November 2013 the Housing that Works Initiative was recognized at a national level by the Urban Land Institute (ULI). EOHED was awarded the Robert C. Larson Workforce Housing Public Policy Award by ULI for the Housing that Works Initiative. The Award, accepted by Secretary Bialecki, recognizes innovative state and local policy initiatives that provide ongoing and sustainable support for workforce housing. More details on the Housing the Works initiative and the Robert C. Larson Award can be found, <http://www.mass.gov/hed/economic/initiatives/housingthatworks/housing-that-works.html>

Working with Partner Agencies

As mentioned in the introduction, 2013 has resulted in unprecedented collaboration between state agencies to help advance sustainable land use development patterns in the Commonwealth. Below are some of the efforts MPRO had the privilege of partnering with other agencies to help advance:



EOEEA’s Global Warming Solutions Act – MPRO has worked with the Executive Office of Energy and Environmental Affairs for the past several years to support the Green House Gas (GHG) limits established in the Legislature’s Global Warming Solutions Act. Many of the policies that MPRO works on regularly, and that are outlined in this report, help support GHG reduction goals. In 2013,

MPRO worked with EOEEA to incorporate the Planning Ahead for Growth strategy into the set of policies that will be monitored and evaluated to ensure the state is moving towards a healthier future.



MassDOT's GreenDOT Goals – MPRO has worked closely with MassDOT to incorporate bicycle and pedestrian friendly goals into targets for the MassWorks Infrastructure Program. The types of land use supported by Planning Ahead for Growth and the Housing that Works initiative help advance MassDOT's mode shift goals of increasing the number of transit riders and increasing opportunities for pedestrians and cyclists to access amenities.



Massachusetts Brownfields Support Team (BST) –MPRO continues to be actively involved in the Brownfield Support Team Initiative led by the Department of Environmental Protection (MassDEP). In 2012, MPRO concluded its work with the Brockton BST. Since the BST, the City of Brockton continues to see success in the revitalization of its downtown, including the advancement of the Enterprise Block Redevelopment Project and the Capstone Lofts project in 2013. In 2013, MPRO was named co-lead on the Amesbury BST and will continue to work closely with the City and other stakeholders to advance clean-up efforts throughout 2014. In addition to leading the BST in Amesbury, MPRO will work with the City to advance infrastructure improvements through a 2013 MassWorks award. The City of Chicopee and Attleboro have both received MassWorks awards to support the redevelopment of their BST locations.

Healthy Transportation
Compact Annual Meeting
December 5, 2013



Healthy Transportation Compact – In December 2013, EOHED and MPRO were announced as the newest members of the Healthy Transportation Compact, a group which already included the Massachusetts

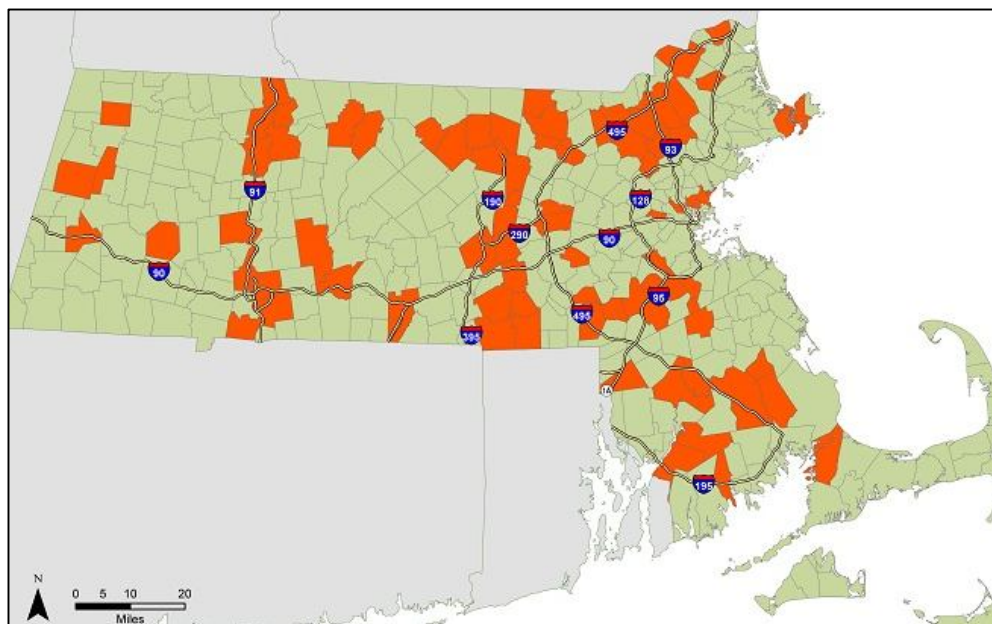
Department of Transportation, Executive Office of Health and Human Services and the Executive Office of Energy and Environmental Affairs. In 2013, the Compact finalized a Health Impact Assessment Study to analyze the health impacts and most beneficial alternatives for the McGrath Highway grounding project in Somerville. In 2014 this group will continue to work on incorporating analyses of such impacts into the planning process to evaluate how the projects can serve multiple modes of transit (auto, public transit, pedestrian, and bicycle) as well as serve all sectors of the population.

CREATE

Creating Support for New Growth through Prompt and Predictable Permitting

Chapter 43D: Expedited Local Permitting

In addition to helping with specific development projects, MPRO has focused its efforts on working with communities that have identified appropriate locations for growth within their communities to advance their efforts to promote growth by implementing prompt and predictable permitting measures and to adopt zoning which supports the community's desired growth.



Chapter 43D Communities

One of the ways MPRO assists with the advancement of development projects is by working closely with municipalities on efforts to streamline the local permitting processes through the Chapter 43D Expedited Permitting Program and other means. The Chapter 43D program guarantees a 180 day permitting process at the local level. This program has been successful in all areas of the state and now boasts 178 sites in 86 communities with at least 3 additional communities actively pursuing designation in early 2014. Because the scope of the 43D program was expanded in the 2012 Jobs Bill, 2013 was the first year this program was applicable to sites zoned for housing.

Many communities have sought to implement permit tracking software in an effort to help ensure expedited and efficient permitting. There are several vendors in Massachusetts who provide the software services and, anecdotally, MPRO has heard that there are a wide variety of options for communities to choose from when looking for permit software. In 2013, MPRO launched a Permit Software Survey, which was distributed to municipalities by Regional Planning Agencies, the MassPlanners Listserv, the Massachusetts Municipal Association and the 43D communities list. The survey is designed to gather information regarding the type of permit tracking software being used

throughout the state, the number of municipal departments which use the software and the costs of such software. MPRO looks forward to receiving and analyzing the results of the survey in the early part of 2014 and hopes that the results are able to better inform communities about the options available to them as they consider implementing permit tracking software.

Chapter 43E: Expedited State Permitting

As part of Chapter 240 of the Acts of 2010, the Legislature created Chapter 43E: Expedited State Permitting that provides six month permitting for development projects that are located on Chapter 43D Priority Development Sites and within designated Growth Districts. On behalf of EOHED, MPRO worked with all state agencies subject to the provisions of Chapter 43E to develop regulations to implement the state expedited permitting process. The final regulations were published on July 8, 2011.

Direct Project Assistance

The responsibility to support new development does not and should not lie solely with municipalities. Recognizing the important role state agencies play in supporting development in the state, MPRO works closely with state regulatory agencies to streamline state permitting processes and offer opportunities for increased collaboration among agencies. To that end, MPRO has implemented resources such as the 43E Expedited State Permitting Program and the Permitting Collaborative.

MPRO also participates in efforts led by other agencies to ensure consistency across state offices and to promote economic and housing development, which also helps advance state objectives such as green house gas reduction, as mandated by the Global Warming Solutions Act, and the mode shift goals, as outlined by the GreenDOT initiative led by the Massachusetts Department of Transportation (involvement in these initiatives are highlighted in greater detail in the previous section).

Permit Extension Act Frequently Asked Questions (FAQ)

The Permit Extension Act was created by Section 173 of Chapter 240 of the Acts of 2010 to promote job growth and long-term economic recovery by establishing an automatic two-year extension to certain permits and licenses concerning the use or development of real property. The Act applied to regulatory approvals issued by local, regional or state entities that concern the use or development of real property. The Permit Extension Act was extended by Section 173 of Chapter 238 of the Acts of 2012 by an additional 2 years.

Repeating the process originally established in 2010, MPRO consulted with all state permit issuing agencies to discuss the extension of the Act, to update the Frequently Asked Questions document, which helps the public understand how the Act affects permits issues by state agencies, and to agree on a common process for implementation. The FAQ is available at <http://www.mass.gov/permitextension>. In 2013, the Massachusetts Department of Environmental Protection issued an additional FAQ related to specific permitting questions that DEP has been asked to comment on related to the Permit Extension Act. DEP's more detailed FAQ can be found on several DEP webpages, including the [permitting assistance page](#).

INVEST
Investing in Infrastructure

The MassWorks Infrastructure Program

In September 2010, the Patrick Administration announced the creation of the MassWorks Infrastructure Program (MGL Chapter 23A, Section 63), providing a one-stop shop for municipalities and other eligible applicants seeking public infrastructure funding to support economic development, housing creation, and roadway safety improvements in rural communities. The program was officially established in August 2012 with the signing of the Job Bill (Chapter 238 of the Acts of 2012). The program is centrally administered by the Executive Office of Housing and Economic Development, in cooperation with the Department of Transportation and Executive Office for Administration and Finance (ANF).

The Program represents an administrative consolidation of six grant programs:

- Public Works Economic Development (PWED) Grant
- Community Development Action Grant (CDAG)
- Growth District Initiative (GDI) Grant
- Massachusetts Opportunity Relocation and Expansion (MORE) Program
- Small Town Rural Assistance Program (STRAP)
- Transit Oriented Development (TOD) Grant Program

In addition to ensuring the geographic distribution of funds throughout the state as required by statute, the Program has established several policy-based funding targets to ensure that state resources are used to advance the State's Sustainable Development Principles. These targets include the following:

- At least 50% of all funds awarded are to be awarded to projects located in Gateway communities;
- At least 67% of all funds awarded are to be used to construct or support transit-oriented development;
- All funding to support the construction of new housing is to be awarded to projects with a density of at least 4 units per acre;
- At least 80% of all funding is to be directed to support projects making adaptive re-use of a previously developed sites,
- At least 50% of all funding is to be used to support projects which include a mix of residential and commercial uses;
- At least 25% of all funding is to be directed to projects of regional significance.

In many instances, selected projects are consistent with several or even all of the spending targets. The table below highlights the MassWorks Program's success in meeting the established targets over the three years the Program has been in operating.

Spending Targets

	Program Spending Target	2011 Spending Achieved	2012 Spending Achieved	2013 Spending Achieved
Gateway City	50%	50%	49%	53%
Transit Oriented Development	67%	60%	77%	72%
Reuse of Previously Developed Sites	80%	86%	90%	87%
Mixed Use	50%	57%	63%	85%
Density of Housing	100%	100%	100%	100%
Regional Projects (2+ communities)	25%	67%	51%	56%

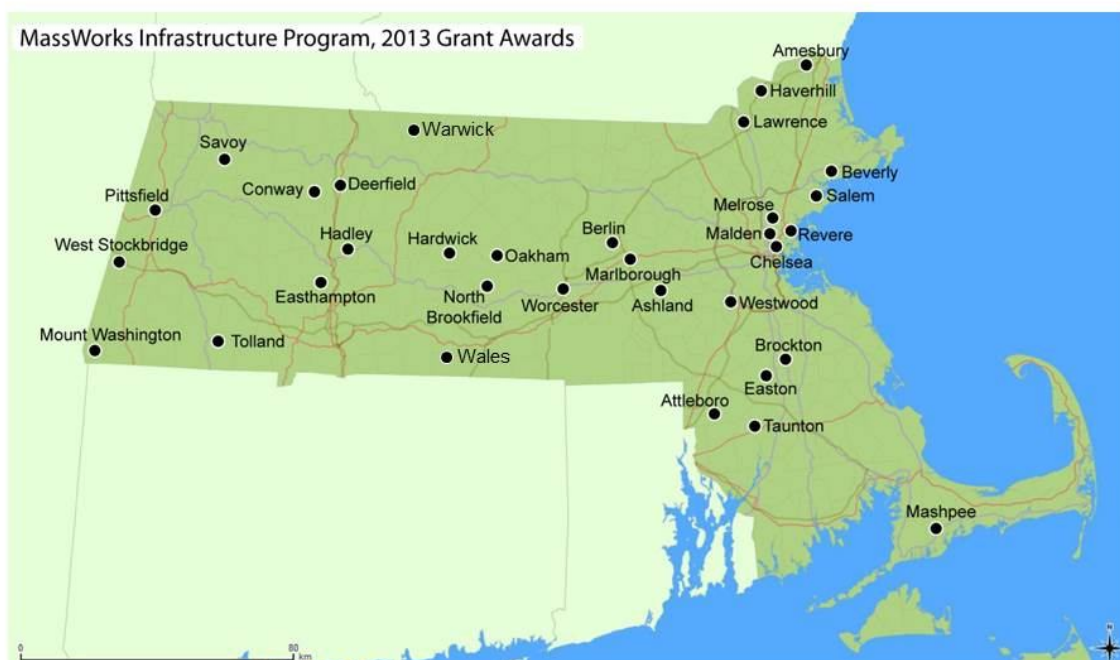
The MassWorks Infrastructure Program has held three competitive funding rounds since the program's announcement. In December 2013, the program announced the results of its third application round and awarded 33 projects for a total of \$79.5 million in funding. The program received 108 applications from communities throughout the state for over \$263 million in infrastructure funding requests, demonstrating a significant need for state assistance for infrastructure projects to support economic development and housing creation.

Examples of projects funded by the 2013 MassWorks round include:

- Amesbury - Lower Millyard Water Street Improvement Project (\$1,642,434) - Currently a designated Brownfields Support Team Site, Amesbury's Lower Millyard is the focus of a significant economic development and mill revitalization effort in the City's downtown. The MassWorks award will allow the realignment and addition of streetscape improvements to Water Street, providing for increased pedestrian and traffic safety. The City has voted to invest \$5.9 million in the relocation of the Department of Public Works yard, \$1.5 million for the construction of Heritage Park and Merrimack Valley Regional Transit Authority has invested \$7 million in its Transportation Center. The City estimates that 289 housing units may be created in the Lower Millyard area. The Lower Millyard is identified as a Priority Development Area in the [Merrimack Valley Regional Plan](#).
- Attleboro - Riverfront Road TOD Project (\$3,960,000) - Located in Attleboro's Downtown, the MassWorks award will support the construction of Riverfront Drive, a roadway which provide a critical connection to the Attleboro Intermodal

Center (ITC). The Attleboro ITC was constructed by GATRA and the MBTA and recently celebrated its completion. In addition, the City estimates approximately 250 new housing units and 20,000 square feet of new commercial space can be created on the sites made accessible along Riverfront Drive. As a result of the roadway construction, construction of Renaissance Station, a 7 story building consisting of 80 housing units and 6,000 square feet of retail is expected to begin. The City was designated a Brownfields Support Team in 2010 and the site is designated as a Priority Development Area in the [South Coast Rail Economic Development and Land Use Corridor Plan](#).

- **Marlborough - Southwest Quadrant Complete Streets Initiative (\$1,650,000)** - The MassWorks award will support roadway, pedestrian and bicycle improvements along Simarano Drive in Marlborough's Southwest Quadrant and is matched by approximately \$1.3 million in City funding. This area, once home to Fidelity and HP, is experiencing a comeback with the decisions of TJX and Quest Diagnostics to locate offices in the area. In addition to attracting large office users, the City has proactively taken steps to rezone this area to allow for mixed-use, multi-family development with the goal of providing the City with long term, sustainable growth. The infrastructure improvements will support the creation of 350 new housing units, a 125 room hotel and 50,000 square feet of retail and dining space in the near term. The Simarano Drive area is designated as a Priority Development Area in the [495/MetroWest Compact Study](#).
- **Small Town Rural Assistance** - MassWorks was also able to award 12 projects in communities with populations of 7,000 or less for roadway safety improvement projects in 2013.



Advancing “Value Capture” Strategies in Massachusetts

Understanding that state dollars dedicated to infrastructure improvements are limited, MPRO has been working with state and quasi-public agencies on public financing programs which aim to support infrastructure investment through capturing the value that will be created as a result of the new infrastructure. In addition to several existing programs, in 2012 the Legislature created an additional tool called the Local Infrastructure Development Program in Chapter 238 of the Acts of 2012. This program provides another option for communities to work with private development partners to build the infrastructure needed to support new development projects.

- **Local Infrastructure Development Program** – The Local Infrastructure Development Program empowers municipalities and developers to finance infrastructure investment necessary to support economic development. The program enables the developer to work with a municipality to establish an infrastructure development zone and to place assessments on properties within the zone which will be used to support bonds issued by MassDevelopment to advance the infrastructure needed. MassDevelopment is currently taking the lead in developing informational materials which will be used to help educate municipalities on this program. MPRO has worked closely with MassDevelopment to inform municipalities, developers and land owners of this important new financing tool.
- **Infrastructure Investment Incentive Program** - MPRO has taken an active role in the Infrastructure Investment Incentive (I-Cubed) Program led by the Executive Office of Administration and Finance. MPRO has participated in the review of the Economic Development Proposals submitted by developers and communities interested in infrastructure funds supported by the I-Cubed Program and, working with the Executive Office of Administration and Finance, the Department of Revenue and MassDevelopment, MPRO has helped to evaluate the feasibility of funding the proposed projects through the I-Cubed program.
- **District Improvement Financing (DIF)** - The DIF program enables municipalities to finance public works and infrastructure projects in a designated area by “capturing” the increase in property tax revenues, or tax increment, derived from new housing, commercial or industrial activity in the designated area and applying the revenues towards the municipality’s development program. In 2012, EOHEd repealed the regulations associated with the DIF program which required substantial review by many state agencies and approval of the Economic Assistance Coordinating Council before DIF proposals could be approved. Because this is a municipally driven program which does not involve any state financing, bonding or other backing, it was determined that the regulations only served to make the process more cumbersome for communities to participate in and therefore were not necessary. MPRO continues to bring awareness about the

DIF Program's uses and availability to municipalities during speaking engagements and discussions with individual communities seeking state infrastructure assistance to support economic development.

It will be important for communities to understand their options when it comes to "value capture" financing options. To that end, MPRO developed a guidebook, available at: www.mass.gov/mpro to help communities evaluate their options and determine which strategy will work best with their development plans.

MARKET

Marketing Massachusetts and Continuing the Economic Recovery

Marketing Partners

The Massachusetts Permit Regulatory Office works closely with state and quasi-public agencies such as the Massachusetts Office of Business Development, MassDevelopment and MassEcon, which promote Massachusetts as a great place to do business. By highlighting the efforts to Identify, Create, and Invest, as outlined previously in the report, the state can make a very compelling argument that it is an extremely business friendly location with many municipalities that are ready and willing to invite new job creation opportunities in their community.

Public Speaking Engagements

In addition to the marketing efforts led by the business support arm of the state, MPRO makes regular appearances before municipal, business, and industry groups to promote the new and existing tools available to help foster job growth and promote the state's friendly business climate. In 2013, MPRO was pleased to be invited to speak at the Massachusetts Municipal Association Conference, MassDevelopment's Regional Academies, the Moving Together Conference, and many others.

Website and Media

Ensuring that information is available to all those who are interested in the resources offered by state, regional and local entities to support new economic development is an ongoing effort and one that is essential to conveying that Massachusetts is a welcoming and friendly place to do business. MassWorks can now be found on Twitter @MassWorks.

The MPRO website is available at www.mass.gov/mpro and provides up-to-date information on all MPRO activities. In addition to information about the regional planning efforts, 43D and 43E programs and the MassWorks Infrastructure Program, the MPRO website provides links to a number of resources developed by other executive offices, Regional Planning Agencies and other partners that MPRO works with to help advance the mission of the office.

STAFF

The Massachusetts Permit Regulatory Office is currently staffed by Victoria Maguire, who serves as the State Permit Ombudsman/Director, Erica Kreuter, who serves as a Senior Project Manager, Steve O'Neil, who serves as the MassWorks Infrastructure Program Finance Director, and Victor Negrete, who serves as Regional Planning Director and joined MPRO in 2013.